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July 26, 1993

TO: Lowell P. Braxton, Associate Director

THRU: Wayne Hedberg, Permit Supervisor *WH*

FROM: Holland Shepherd, Senior Reclamation Specialist *HS*

RE: Total Permit and Surety Release, Energy Fuels Nuclear, Inc., Straight Creek, M/017/018; Hillside Complex, M/037/015; Sahara, M/015/026; Ivy, S/037/034 and Standard II, S/037/011; Garfield, San Juan and Emery Counties, Utah

Earlier I recommended permit and surety release for the following sites, I have since updated this memo and added the Ivy. I have attached a draft letter and copies of the sureties to be returned to the operator. Please find below a brief review of each site.

Straight Creek, M/017/018

The Straight Creek site was reclaimed in November of 1987. I inspected the site this past November, 1992. The site is located on BLM property. A letter from the Henry Mountain Resource Area, BLM, dated February 27, 1992, indicates that "Energy Fuels did an outstanding job" reclaiming the site. The bond amount is \$1,050.

Hillside Complex M/037/015

The Hillside Complex is composed of four mine sites: The Hillside, Maybe, Gizmo and Bears Ears. These sites were all reclaimed in November of 1988. I inspected the site in September of 1991. I found that the Hillside portal had been breached by an unknown party and the Gizmo



Page 2
Surety Release
Energy Fuels Nuclear, Inc.
July 26, 1993

had suffered erosion damage. I inspected the site again last November, 1992. The portal had been sealed up. The San Juan Resource Area, BLM has also evaluated this site and indicated in a letter dated October 15, 1992, that they thought the reclamation was satisfactory and concurred with the Division's recommendation for bond release. The bond amount is \$2,460.

Sahara, M/015/026

The Sahara mine was reclaimed September of 1991. I inspected the site last November, 1992. I found the site qualified for complete release. I am making this recommendation even though the normal waiting period for revegetation success (3 years) has not transpired. The site was sparsely vegetated initially due to the dry desert environment in which it is situated. The San Rafael District, BLM, sent the Division a letter dated December 16, 1992, concurring with my recommendation for release. The surety bond on this site is \$35,923.

Standard II, S/037/011

Reclamation was completed at the Standard II during the fall of 1991. The first stage of reclamation was initiated by Atlas Minerals in 1982. My last inspection was conducted November 1992. That inspection supported the operator's request for complete release. DOGM holds no bond for this site; however, State Lands and Forestry does hold a \$25,000 bond. I spoke to Jerry Mansfield of State Lands and Forestry today (July 26, 1993), who indicated that he would be sending us a letter soon concurring with our finding.

Ivy S/037/034

I inspected this site on July 16, 1993 along with Sal Venticinque of the BLM. Both Sal and I concurred that the site was ready for release. A letter from the BLM is forthcoming.

jb
Energy.rel